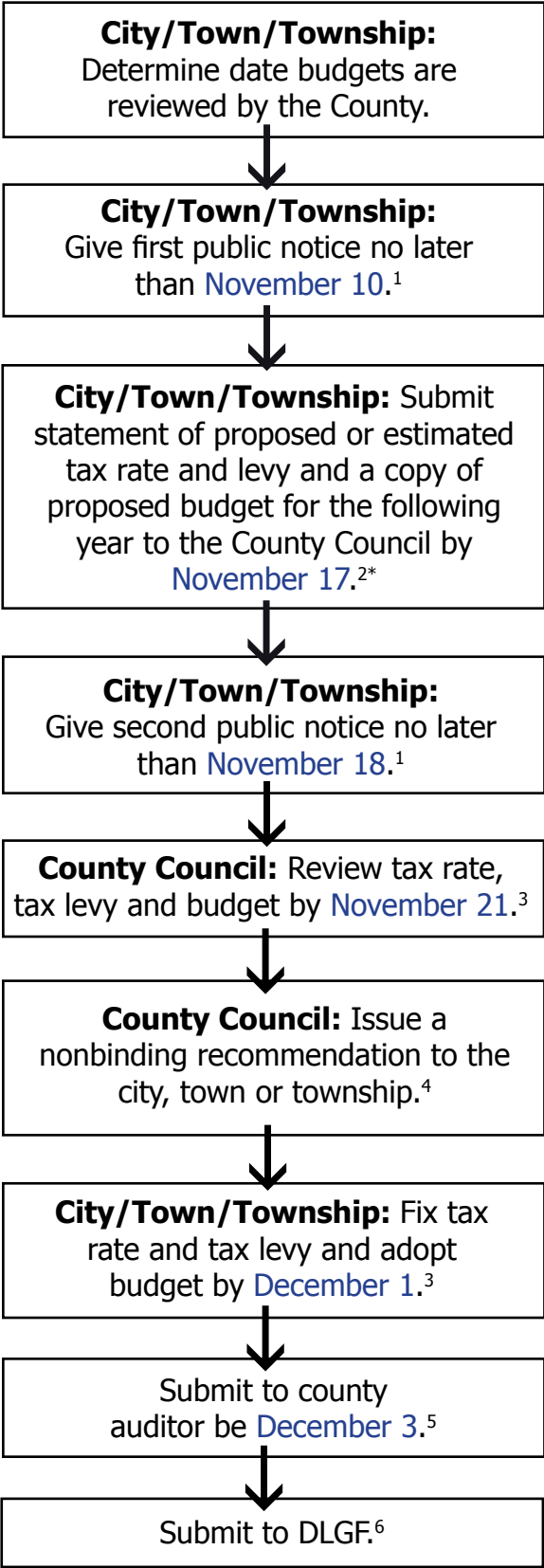


# City, Town and Township Budget Approval Process



(1) IC 6-1.1-17-3 applies to all political subdivisions. It requires the proper officers of a political subdivision to formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the DLGF and approved by the state board of accounts. The political subdivision must give notice to taxpayers of: the estimated budget; the estimated maximum permissible levy; the current and proposed tax levies of each fund and the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first publication at least 10 days before the date fixed for the public hearing. Second publication is a minimum of 3 days before the public hearing under IC 5-3-1-2.

(2) IC 6-1.1-17-3.5 requires a city, town or township to submit the required information at least 15 days before the city, town or township fixes its tax rate and tax levy and adopts its budget.

(3) IC 6-1.1-17-5 requires a public hearing be held at least 10 days before the budget adoption hearing on December 1 (except in Indianapolis/Marion County or second class cities).

(4) IC 6-1.1-17-3.5 requires recommendation to include a comparison of any increase in the city, town or township's budget or tax levy to: a) the average increase in Indiana nonfarm personal income for the proceeding six calendar years and the average increase in nonfarm personal income for the county for the proceeding six calendar years and b) increases in the budgets and tax levies of other civil taxing units in the county.

(5) IC 6-1.1-17-5 requires a city, town or township to file budget, rates and levies with the county auditor no later than 2 days after the budget adoption.

(6) IC 6-1.1-17-16 (h) requires DLGF to complete review and approval of budget, rates and levies on or before February 15.

\* In the case of a city, town or township located in more than one county, the civil taxing unit must file the required information with the county council in which the greatest part of the civil taxing unit's net assessed valuation is located.

**NOTICE:** IC 6-1.1-17-3.5 does not apply to cities, towns or townships located in counties with a county tax adjustment board (TAB) that reviews budgets, tax rates and tax levies.

**NOTICE:** For counties with a TAB, the TAB is required to review the budget, tax rate and tax levy of each political subdivision filed with the county auditor. The TAB is required to revise or reduce, but not increase, any budget, tax rate or tax levy in order: to limit the tax rate to the maximum amount permitted under IC 6-1.1-18 and to limit the budget to the amount of revenue to be available in the following budget year for the political subdivision. The TAB must make a revision or reduction in the budget only with respect to the total amounts budgeted for each office or department within each of the major budget classifications prescribed by the state board of accounts. When the TAB makes a revision or reduction in a budget, tax rate or tax levy, it shall file with the county auditor a written order which indicates the action taken. If the TAB reduces the budget, it shall also indicate the reason for the reduction in the order. The chairman of the TAB must sign the order. IC 6-1.1-17-6.